



# **IEDC BOARD OF DIRECTORS**

## **5.7.2013**

# APPIRIO, INDIANAPOLIS

▶ A San Francisco, Calif.-based cloud service provider that helps enterprises power their business with cloud applications and platforms like salesforce.com, Google and Workday.

▶ 300 projected new jobs

▶ \$2.58 million capital investment

▶ **Key Deal Factors:** Appirio sought to locate its new office and cloud computing development center in an IT-focused market with access to top-flight talent from great universities.



*In August 2012, Appirio announced plans to locate a new high tech center in downtown Indianapolis.*

***"Opening an office and cloud development center in Indianapolis gives Appirio access to a large, highly educated talent base with close proximity to customers and partners."***

- Chris Barbin, chief executive officer of Appirio



# TOP TEN REASONS TO LAND YOUR TECH BIZ IN INDIANAPOLIS

## BY NICK MARSON, APPIRIAN & PURDUE UNIVERSITY GRADUATE

**10. Stability.** The state of Indiana boasts a balanced budget, low corporate tax rates, and an AAA credit rating from S&P, Fitch, and Moody's.

**9. Incentives.** Indiana offers an impressive list of tax credits & exemptions for companies interested in bringing their business to the state.

**8. The Talent.** Over 35 colleges and universities pump out high-tech talent every semester including standouts Rose-Hulman Institute of Technology, Purdue School of Engineering and Technology (my alma mater, of course), and Indiana University's Kelly School of Business (No. 2 among public MBA programs- The Wall Street Journal).

**7. The Capital.** Over 40 venture funds & angel investment groups are located in Indiana including Halo Capital Group and Gravity Ventures.

**6. The Tech Scene.** You get to join Appirio and other great technology companies like Exact Target (NYSE:ET), Angie's List (NASDAQ:ANGI), and Interactive Intelligence (NASDAQ:ININ).

**5. Startup Success.** The tech startup ecosystem in Indy is alive and well thanks to Indy-based groups like TechPoint and Verge and Indy's elite entrepreneur clubhouse The Speak Easy.

**4. Affordable Energy.** Still have servers? Appirio can help you reduce your dependency on your data center AND Indiana's highly efficient electric power transmission infrastructure will grant you some of the lowest energy costs in the country.

**3. Clients will Beg to Visit.** Indianapolis has played host to Super Bowl XLVI, dropped the green flag on the largest single-day sporting event in the world (Indianapolis 500) almost 100 times, and boasts an easy-to-navigate, world-class conference center downtown.

**2. People Love to Live in Indy.** The low cost of living, central location, and thriving culture make Indianapolis a great place to work and live.

**1. Appirio has chosen Indy for their second U.S. location.** Join us and revolutionize an industry! Appirio's new Cloud Development Center houses a team of cloud experts that can help enterprises achieve dramatic results from cloud applications and platforms like salesforce.com, Google, Workday and Amazon Web Services.



# **IEDC BOARD OF DIRECTORS**

## **5.7.2013**



# LARGEST TAX CUT IN STATE HISTORY

- ▶ Enacted the largest state tax cut in Indiana history-more than \$600 million a year
- ▶ With a combination of income tax relief, inheritance tax repeal and other business tax reductions, Indiana is the only state in the country to achieve more than \$1 billion in tax cuts this year

*"We also crafted the **largest state tax cut in Indiana history**-more than \$600 million a year-and helped every Hoosier taxpayer, small business owner and family farmer in the process. With a combination of income tax relief, inheritance tax repeal and other business tax reductions, legislators passed the right tax relief at the right time, and **it will make Indiana stronger as we compete for new jobs.**"*

*The work we have done together has laid a solid foundation for a more prosperous future for Indiana. We will attract more **good-paying jobs** because of the **business-friendly tax climate** we have produced and the strong balance sheet we have preserved. And Hoosiers will keep more of what they earn."*

*-Governor Mike Pence*





# INDIANA MAKES NATIONAL HEADLINES

GOVERNORS, GOP ALLIES CLASH OVER TAX CUTS

**THE WALL STREET JOURNAL | May 1, 2013**

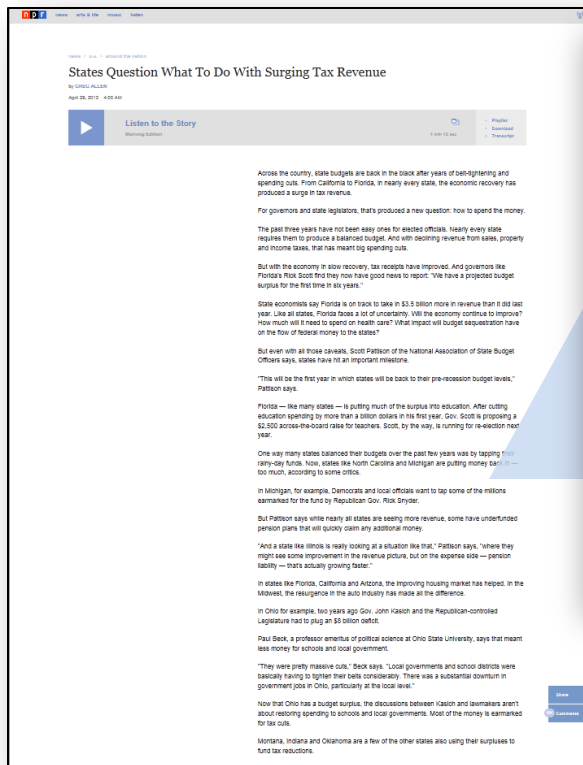
*Indiana Gov. Mike Pence, pictured in February, pushed for a cut in the state's income-tax rate by 10% over two years but agreed to a 5% reduction over 3½ years, among other measures.*



## A STATE THAT WORKS

# SURGING TAX REVENUE

## STATES QUESTION HOW TO SPEND SURGING TAX REVENUE



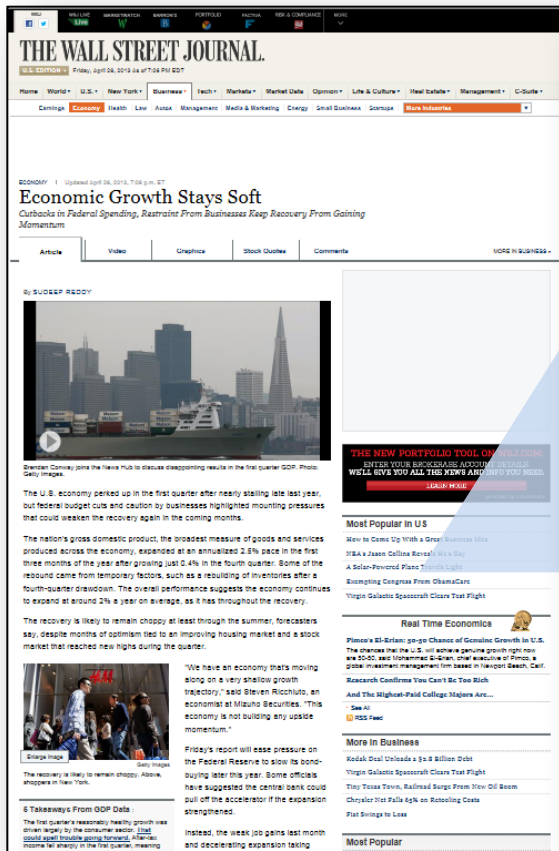
**NPR | April 29, 2013**

- "This will be the first year in which states will be back to their pre-recession budget levels." —Scott Pattison, National Association of State Budget Officers
- Florida has its first projected budget surplus in six years while Ohio and Michigan are funneling dollars to prop up depleted rainy day funds.
- "In states like Florida, California and Arizona, the improving housing market has helped. In the Midwest, the resurgence in the auto industry has made all the difference."



# ECONOMIC GROWTH STAYS SOFT

CUTBACKS IN FEDERAL SPENDING, RESTRAINT FROM BUSINESSES KEEP RECOVERY FROM GAINING MOMENTUM



## THE WALL STREET JOURNAL | April 26, 2013

The cloudy outlook appears to be weighing on business investment. Capital expenditures by businesses rose at a modest pace of about 2%. Spending on equipment and software increased 3%, down from the nearly 12% pace in the fourth quarter. Spending on structures such as new stores fell after a stronger fourth quarter. While businesses shipped more products abroad during the quarter, higher imports offset gains in exports and made trade a drag on the overall economy. The weakening outlook in the key economies of the euro zone and China indicates little prospect of a boost to the U.S. anytime soon due to overseas demand.

Indeed, a number of companies suggested in recent weeks that the U.S. economy remains one of the more predictable spots in the global landscape.

"Internationally, the trade flows have been very volatile," United Parcel Service Inc. chief financial officer Kurt Kuehn said this week. "We're fairly confident that the U.S. economy will be stable, if unexciting."



# GOOD TO GREAT PLAN

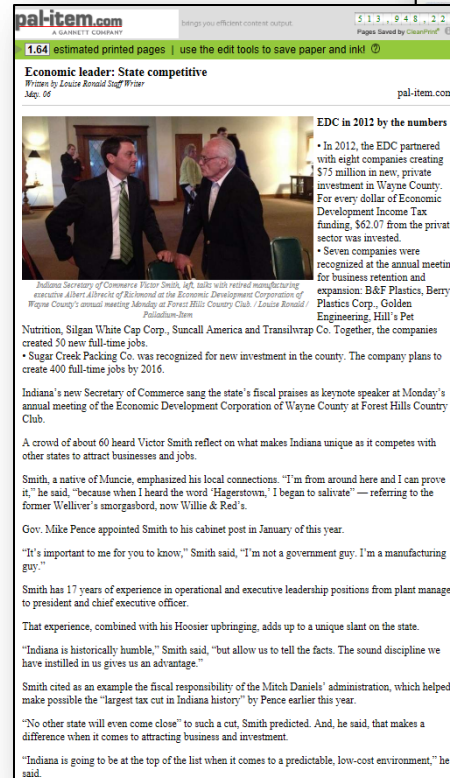
## FIRST 100 DAYS: HUNT

► \*To date, the Secretary of Commerce and IEDC President have met with:

- 13 mayors
- 19 companies
- Visited 30 counties

\*Visits have occurred primarily since April 1, 2013.

*Secretary of Commerce Victor Smith was the keynote speaker at the Economic Development Corporation of Wayne County's annual meeting in May.*



**Economic leader: State competitive**  
Written by Louise Ronald Staff Writer  
May 9, 2013

**EDC in 2012 by the numbers**

- In 2012, the EDC partnered with eight companies creating \$75 million in new, private investment in Wayne County.
- For every dollar of Economic Development Income Tax funding, \$62.07 from the private sector was invested.
- Seven companies were recognized at the annual meeting for business retention and expansion: B&F Plastics, Berry Plastics Corp., Golden Engineering, Hill's Pet Nutrition, Silgan White Cap Corp., Suncoast America and Transilvrap Co. Together, the companies created 50 new full-time jobs.
- Sugar Creek Packing Co. was recognized for new investment in the county. The company plans to create 400 full-time jobs by 2016.

Indiana's new Secretary of Commerce sang the state's fiscal praises as keynote speaker at Monday's annual meeting of the Economic Development Corporation of Wayne County at Forest Hills Country Club.

A crowd of about 60 heard Victor Smith reflect on what makes Indiana unique as it competes with other states to attract businesses and jobs.

Smith, a native of Muncie, emphasized his local connections. "I'm from around here and I can prove it," he said, "because when I heard the word 'Hagerstown,' I began to salivate" — referring to the former Welliver's smorgasbord, now Willie & Red's.

Gov. Mike Pence appointed Smith to his cabinet post in January of this year.

"It's important to me for you to know," Smith said, "I'm not a government guy. I'm a manufacturing guy."

Smith has 17 years of experience in operational and executive leadership positions from plant manager to president and chief executive officer.

That experience, combined with his Hoosier upbringing, adds up to a unique slant on the state.

"Indiana is historically humble," Smith said, "but allow us to tell the facts. The sound discipline we have instilled in us gives us an advantage."

Smith cited as an example the fiscal responsibility of the Mitch Daniels' administration, which helped make possible the "largest tax cut in Indiana history" by Pence earlier this year.

"No other state will even come close" to such a cut, Smith predicted. And, he said, that makes a difference when it comes to attracting business and investment.

"Indiana is going to be at the top of the list when it comes to a predictable, low-cost environment," he said.



**Mayor welcomes Lt. Governor and Indiana Economic Development Corporation Head to Gary**

2013 1:34 pm • Chelsea L. Whittington

Last week, Mayor Karen Freeman-Wilson hosted Indiana Lt. Governor Sue Ellspermann and Indiana Economic Development Corporation Chairperson Eric Doden in the City of Gary for a tour. Stops included the Gary Area Career Center, New Tech High School, University Park and Park.

The visit is further evidence of the new administration's willingness to work with us, and to have them visit our great city," said Freeman-Wilson. "We look forward to them to NWI and assisting us with advancing our economic development projects."

*IEDC President Eric Doden met with community leaders and toured the city of Gary in March.*

# GOOD TO GREAT PLAN

## FIRST 100 DAYS: HUNT

### Outside Sales North America

- ▶ Targeted outreach to 477 manufacturers via direct mailing

### Israel (February)

- ▶ Meeting with Israel Aerospace Industries

### YPO Conference – Istanbul (February)

- ▶ Approximately 100 contact persons at 48 companies plus key government officials

### China (February)

- ▶ Met with 2 active projects and 6 other companies plus key officials in Sister Province of Zhejiang

### Dallas, TX (April)

- ▶ Met with 9 site location consultants

### Germany (April)

- ▶ Met with 5 active projects and 20 additional companies, key site selector engagement

### AEROMART Montreal – Canada (April)

- ▶ 30 contacts with aerospace suppliers plus additional multipliers

### BIO International Convention – Chicago (April)

- ▶ More than 125 global life science leaders attended IEDC reception

*Governor Mike Pence speaks to life science executives at the IEDC's BIO reception in Chicago.*



# UPCOMING EVENTS

**EVENTS THAT WILL CONNECT MORE THAN 350 COMPANY EXECUTIVES AND SITE SELECTORS WITH IEDC OFFICIALS**

## **May**

- ▶ New York, NY : Sales Trip
- ▶ Indianapolis: Pole Day
- ▶ Indianapolis: Carb Day

## **June**

- ▶ California: Sales Trip
- ▶ Minneapolis, MN: Area Development Consultants Forum

## **July**

- ▶ Chicago, IL: Sales Trip

## **August**

- ▶ Cleveland, OH: Sales Trip

## **September**

- ▶ Japan: Midwest U.S.-Japan Association Conference
- ▶ Indianapolis: Site Selectors Guild Conference

## **October**

- ▶ Salt Lake City, UT: IAMC Fall Conference

## **November**

- ▶ Atlanta, GA: Sales Trip

# GOOD TO GREAT PLAN

## FIRST 100 DAYS

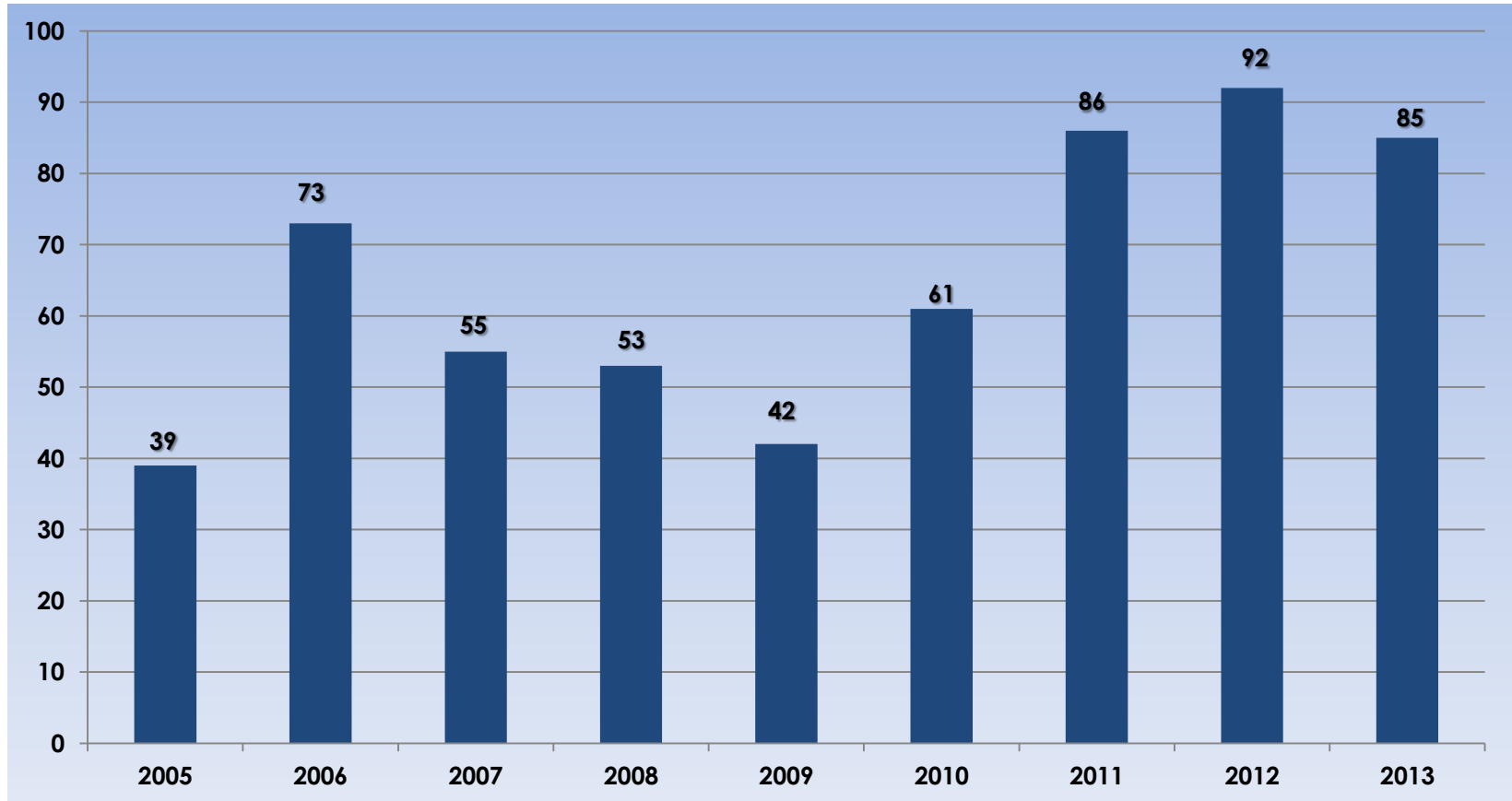
### ► Product Development

- Reviewing and meeting with an engineering firm to review potential mega sites using screening criteria that includes workforce availability, transportation and acreage
- Reviewing current inventory of Shovel Ready sites

### ► Human Capital

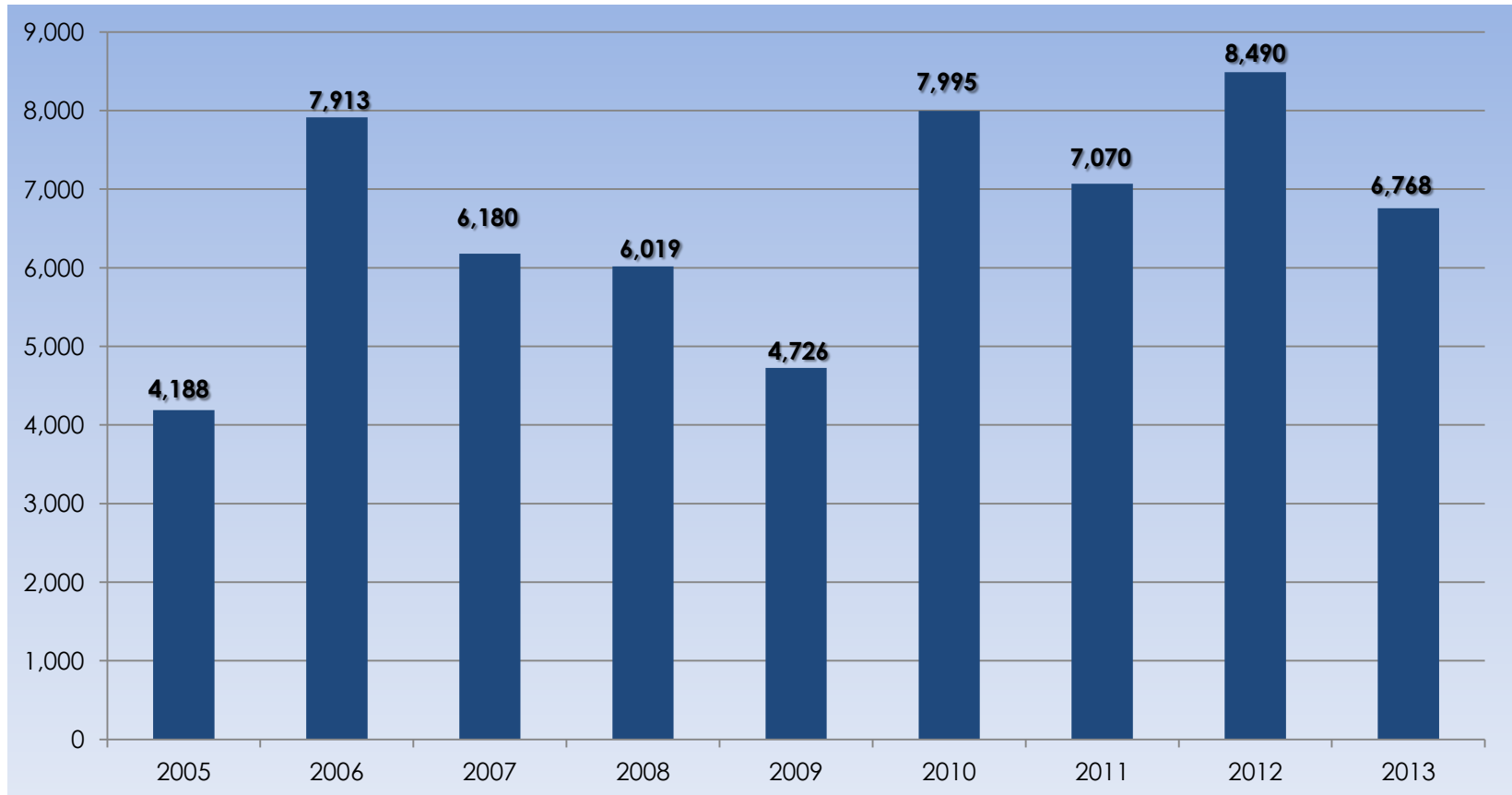
- Collaborating with Department of Workforce Development (DWD) and identifying best practices in the WorkOne regions
- IEDC President will attend "road shows" across the state with DWD Commissioner
- Intelligence on workforce issues will be collected directly from mid cap employers and roundtables with local business leaders
- Reviewing how to better align and deliver vocational programs throughout the state
- Creating a statewide platform to reach expatriates in partnership with the technology community

# TOTAL COMPETITIVE PROJECTS YTD



YTD as of 5.6.13

# PRIVATE SECTOR JOB PROJECTIONS YTD

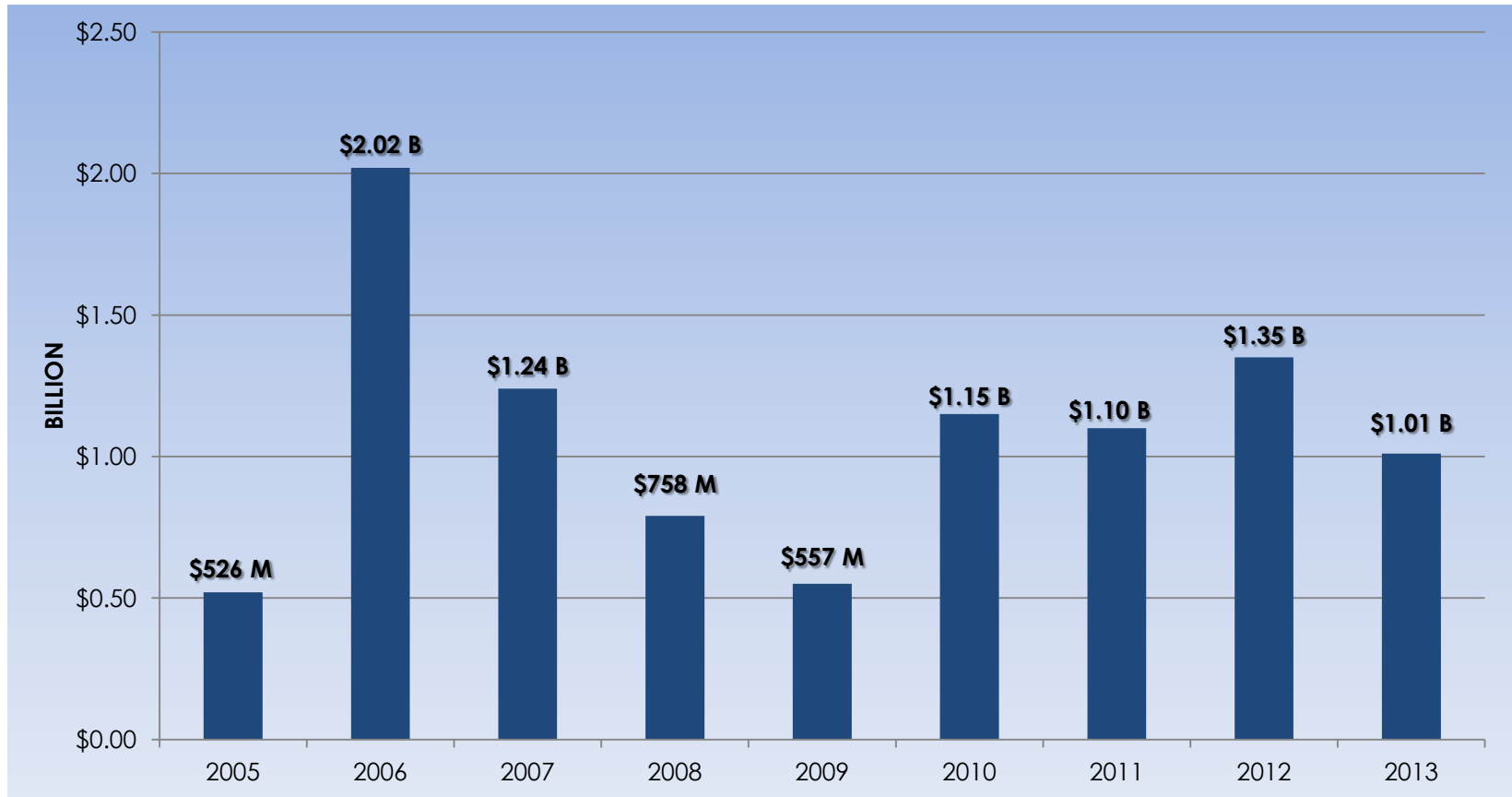


Companies reported 76% job realization rate from 2005-2011, according to 2012 Crowe Horwath, LLC independent review.

YTD as of 5.6.13



# PRIVATE SECTOR INVESTMENT PROJECTIONS YTD

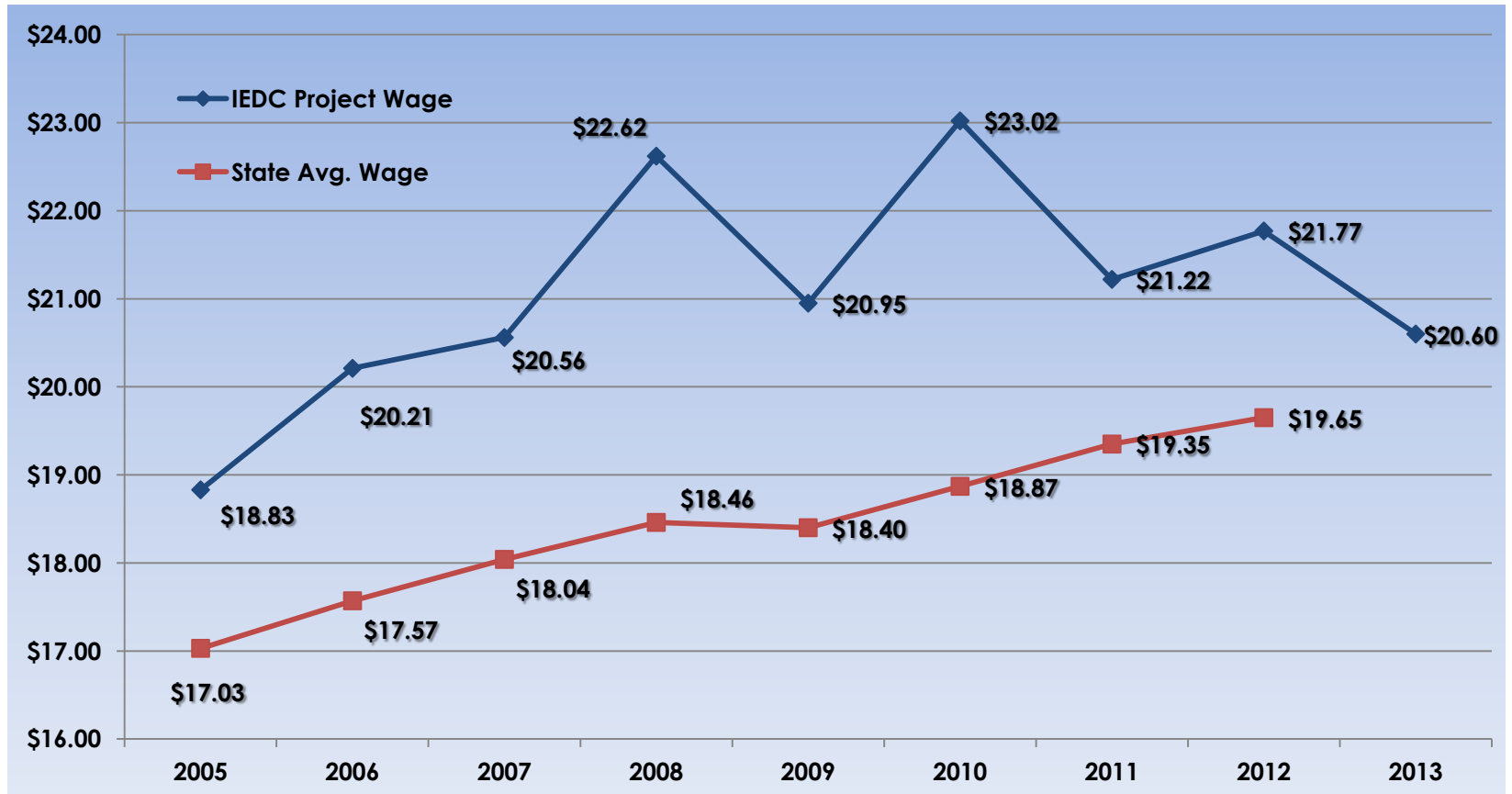


YTD as of 5.6.13

# WIN ANALYSIS

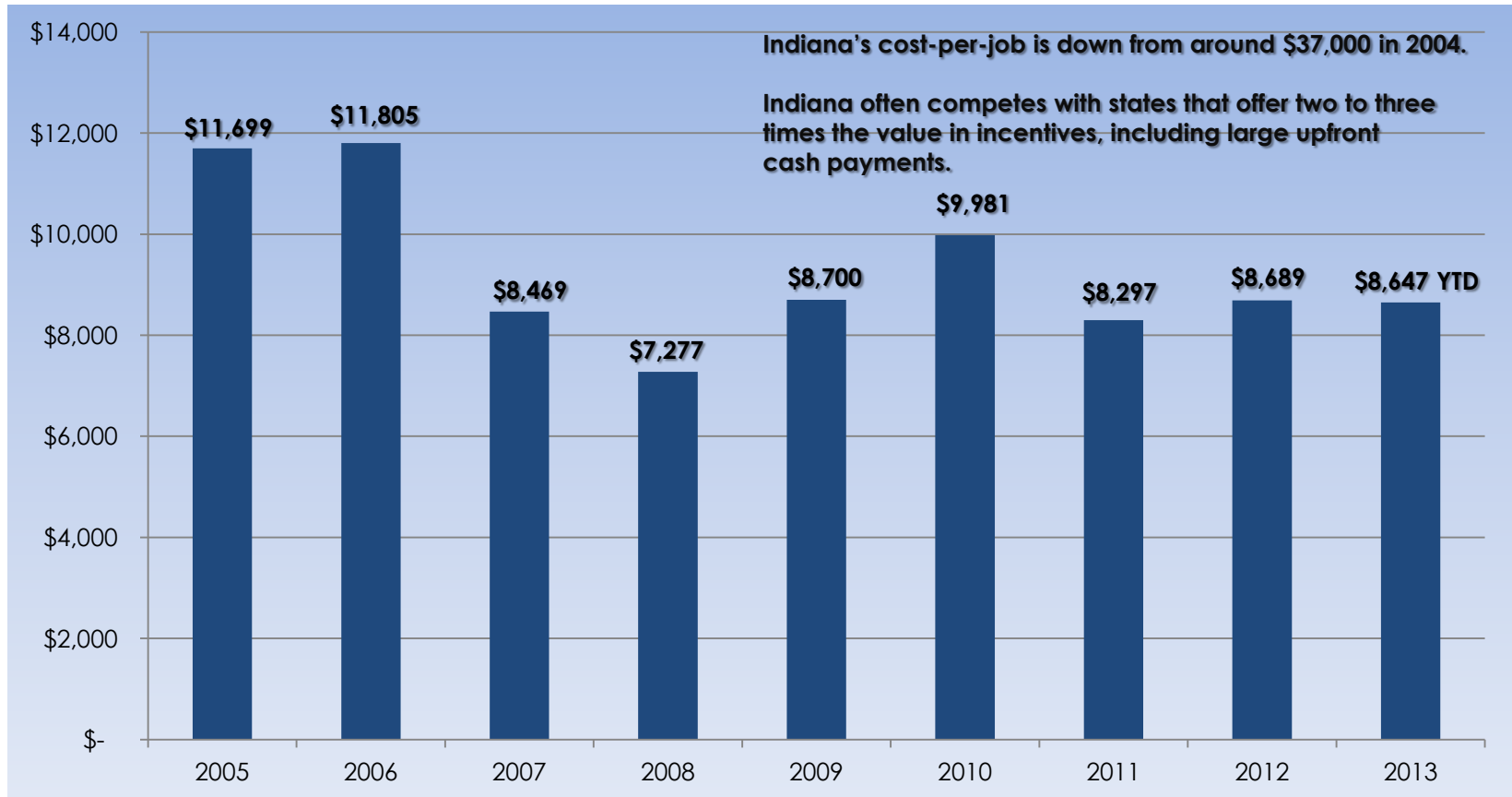
	2007	2010	2011	2012	May 3, 2013
<b>Job Projections Per Project</b>	143	115	87.1	92.4	79.5
<b>Projected Investment Per Project</b>	\$21,392,905	\$21,914,019	\$12,244,882	\$13,797,234	\$11,982,502

# HOOSIER AVERAGE WAGE



YTD as of 5.6.13

# CONDITIONAL INCENTIVES PER JOB



YTD as of 5.6.13

# ON THE ROAD: JOBS FIRST



GEICO, CARMEL



CHRYSLER GROUP, KOKOMO



DOW AGROSCIENCES, INDIANAPOLIS



GORDMANS, CLAYTON



GRAND DESIGN RV, MIDDLEBURY



80/20, COLUMBIA CITY

# A STATE THAT WORKS



# PROJECT WIN REPORT

## GEICO, CARMEL

- ▶ Founded in 1936 as an auto insurance company for government employees, GEICO today is the third largest private auto insurer in the country with more than 11 million policyholders.
- ▶ The company plans to open a new customer service center to process claims and handle customer inquiries.
- ▶ 1,200 projected new jobs
- ▶ \$10.2 million capital investment
- ▶ **Key Deal Factors:** The availability of a talented and well-educated workforce in the greater Indianapolis area and the responsiveness of all economic development partners involved were the company's top deciding factors.



*Governor Mike Pence joined executives from GEICO on March 18<sup>th</sup> to announce the company's plans to locate in Carmel.*



# PROJECT *MID CAP* WIN REPORT

## CRAWFORD INDUSTRIES, *CRAWFORDSVILLE*

- ▶ Founded in 1959, Crawford Industries manufactures graphic quality polyethylene and polypropylene extruded sheet to convert into a wide range of plastic products.
- ▶ The homegrown-Hoosier company, which currently employs more than 95 Hoosiers, will add 45,000 square feet to its existing 100,000 square-foot Crawfordsville facility.
- ▶ 11 projected new jobs
- ▶ \$5.2 million capital investment
- ▶ **Key Deal Factors:** Strong community support and Indiana's low-cost business environment incentivized the company to continue to grow in Crawfordsville.



# PROJECT LOSS REPORT

## PROJECT ICE WATER, *MUNCIE*

- ▶ An attraction project for a high-tech German crankshaft manufacturer
- ▶ 299 jobs, higher than average wages
- ▶ \$164 million in capital investment
- ▶ Company considered Muncie, Ind., Ohio, Tennessee and Virginia
- ▶ **Key Deal Factors:** The company stressed their priorities of low up-front costs (i.e. financing options) and uninterruptable energy supply. Although the community and state were able to provide an aggressive incentives offer, proximity to German OEMs in the southern U.S. as well as soft factors led them to choose a location further south.

# COMPLIANCE REPORT

	<u>January-April 2013</u>	<u>Number of Companies</u>
<b>Received</b>	<b>\$1,157,077</b>	<b>10</b>
<i>Cash</i>	<i>\$306,474</i>	<i>4</i>
<i>Forgone credits</i>	<i>\$850,603</i>	<i>9</i>
<b>Write-offs</b>	<b>\$7,017</b>	<b>2</b>
<b>Referral for tax assessment or collection</b>	<b>\$972,620</b>	<b>1</b>
<b>TOTAL</b>	<b>\$2,136,714</b>	<b>13</b>

(projects originating 1994 to present)

**Annual Performance Goal Reports** –Still coming in. After reporting period closes in May, the job realization rate for 2012 will be calculated.

# LEGISLATIVE UPDATE

- ▶ **IEDC Budget:** Legislature granted our request for more funding in three areas
  - Increase in training funds of \$7 M
  - Creation of the Indiana Biosciences Research Institute (\$25 M) and continued support for 21 Fund (\$40 M)
  - Increase in marketing funds of \$1.3 M
  
- ▶ Streamline/cleanup of certain **tax incentives** including changes to HBI, R&D sales tax exemption, Industrial Recovery “Dino,” HQ Relocation and VCI
  
- ▶ Creation of a **logistics incentive** that allows up to 25% tax credit for logistics investment (compared to the usual 10% max under HBI)
  
- ▶ **Indianapolis Motor Speedway** infrastructure support included the creation of separate loan program to support the motorsports industry
  - IEDC to receive \$5 M per year to administer a low interest loan program available to the racing industry

# TRANSPARENCY PORTAL

## WHERE CAN I FIND THE PORTAL?

- ▶ Directly: [transparency.iedc.in.gov](http://transparency.iedc.in.gov)
- ▶ Link from IEDC's homepage:  
[www.iedc.in.gov](http://www.iedc.in.gov)
- ▶ Link from Indiana Transparency portal:  
[www.in.gov/itp](http://www.in.gov/itp)

## WHAT DOES IT INCLUDE?

- ▶ Tax Credit, grants and loan contracts and data
  - Contracts in .PDF form with redacted wage and tax information
- ▶ Professional service contracts
- ▶ Existing "public information" site on IEDC homepage will be removed and replaced by this new site
- ▶ Elevate Ventures 21 Fund information and contracts





# TRANSPARENCY PORTAL

## TAX CREDITS, GRANTS & LOAN CONTRACTS: SEARCH

If you do not see an option for the fund you are looking for, it is not yet available to be viewed on this portal. The IEDC intends to provide information on all funds defined in the link on the right of your screen in a future release.

[Home](#)

[Quick Links](#)

[Definition of Terms](#)

[Definition of Funds](#)

Recipient :

MMY

County :

La Porte  
LaGrange  
Lake  
Lawrence  
Madison  
Marion

City :

Fund Type :

All Types  
EDGE-R  
BDL  
EDGE  
HBI  
IDGF

Contract Status :

All Statuses  
Contract Pending  
Executed  
Post Term  
Contract Ended

Contract Year :

2011 2011

From

To

Non-Compliant Contracts Only : ☐

Search

Reset

Export Contract Details

To view all contract details for the search results select the Export Contract Details button to export the data.

Project Id	Recipient Name	City	County	Fund Type	Contract Yr	Contract Amt
414289	MMY Consulting, Inc.	Indianapolis	Marion	EDGE	2011	\$1,000,000.00





# TRANSPARENCY PORTAL

## TAX CREDITS, GRANTS & LOAN CONTRACTS: DETAILS

[Home](#) > [Back To Search Results](#)

**Company Details**

Project ID : 414289  
Recipient : MMY Consulting, Inc.  
City : Indianapolis  
County : Marion

**Incentive Details**

Fund Type : EDGE  
Contract Date : 4/6/2011  
Contract Status : Executed  
Contract Amount : \$1,000,000.00  
Paid/Certified to Date : \$61,231.00  
  
Adjustment : (\$0.00)  
In Collections : \$0.00  
Uncollectible : \$0.00  
Compliant Contract : Y

**Project Performance Details**

Base Jobs : 29  
Expected New Jobs by  
Contract End : 20  
2012 : 20

Contract Documents  
[MMY Consulting, Inc. \(414289\)  
EDGE.pdf](#)

**Quick Links**  
  
[Definition of Terms](#)  
[Definition of Funds](#)

**Best in Midwest and 5<sup>th</sup> nationally**  
Best and Worst States for Business 2013  
survey of more than 500 chief executives

**CHIEF EXECUTIVE**  
PRINT • EVENTS • ONLINE  
May, 2013

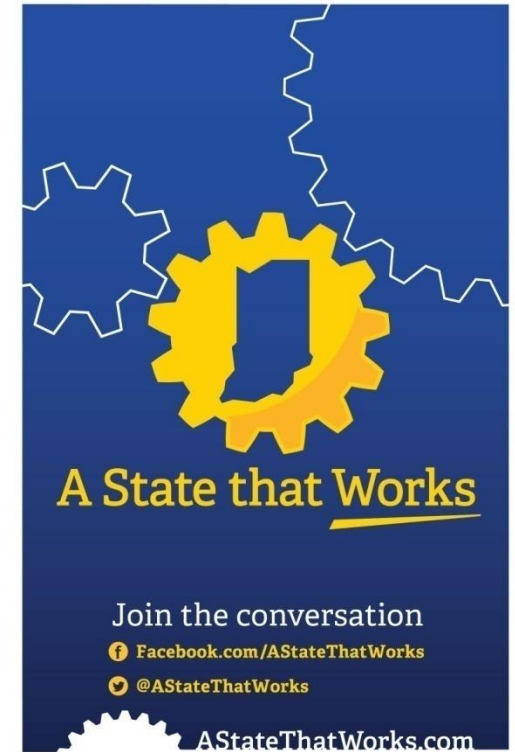
**CHIEF  
EXECUTIVE**  
PRINT • EVENTS • ONLINE

May, 2013

# MARKETING CAMPAIGNS

## A STATE THAT WORKS: MAY 2013

- ▶ Overall state branding across agencies
- ▶ Print media
- ▶ Digital media/mobile
- ▶ Social media
- ▶ New campaign specific website
- ▶ Brand lift survey



2013 LIFE SCIENCES

## A STATE THAT WORKS in Life Sciences

INDIANA  
A State that Works

## A STATE THAT WORKS in Manufacturing

Indiana—a state of thinkers, innovators  
and makers. We're not only a workforce,  
but a force that works.

[AStateThatWorks.com](http://AStateThatWorks.com)

INDIANA  
A State that Works

## DO YOU SUFFER FROM FINANCIAL ENVY?

INDIANA  
A State that Works

[AStateThatWorks.com](http://AStateThatWorks.com)



# IEDC BOARD OF DIRECTORS

## 5.7.2013